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PROGRAMME BUDGET FOR THE BIENNIUM 1994-1995

PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1996-1997

Administrative expenses of the United Nations Joint Staff Pension Fund

Report of the Standing Committee of the United Nations Joint Staff Pension Board

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I. INTRODUCTION

1. In paragraph 1 of resolution 46/220 of 20 December 1991, the General Assembly adopted a "biennial approach to the consideration of agenda items of the Fifth Committee, with the exception of those which are specifically mandated to be considered annually, as required, or on an ad hoc basis." In paragraph 5 of that resolution, the Assembly requested its subsidiary bodies to adjust their work programmes to conform to the biennial work programme, and in the annex to the resolution the Assembly set out, inter alia, the items which would be considered annually and those which would be taken up on a biennial basis. The item "United Nations pension system" was included among the items to be considered only in even-numbered years (i.e., the non-budget years), with the arrangement that the review and approval of all matters related to the expenses of the United Nations Joint Staff Pension Fund, including the biennial budgets of the Fund, would be taken up by the Fifth Committee and the General Assembly as a sub-item under the agenda item for the United Nations biennial programme budget.

2. Pursuant to the decisions and requests contained in resolution 46/220, the United Nations Joint Staff Pension Board informed the General Assembly in its report to the forty-seventh session of the measures it had taken to adjust its work programme to conform to the biennialization decision. These measures included, inter alia, adoption of a two-year cycle for regular sessions of the Board and authorizing the Standing Committee of the Board to meet in odd-numbered years to deal with a number of matters, including in particular the review of the proposals of the Secretary of the Board as regards the administrative expenses of the Fund and the submission of recommendations related thereto to the General Assembly in the "budget years".

3. Accordingly, the present report is submitted by the Standing Committee following its meeting, held from 10 to 14 July 1995 at United Nations Headquarters in New York. The members, alternate members and representatives who attended the meeting are listed in annex I. Although the Standing Committee dealt with a number of matters related to the administration and operation of the Fund, in accordance with resolution 46/220, it reports herein only on (a) the revised budget estimates for the biennium 1994-1995; (b) the budget estimates for the biennium 1996-1997; and (c) the authorization for contributions to the Emergency Fund.

Background information

4. The United Nations Joint Staff Pension Fund was established in 1949 by the General Assembly to provide retirement, death, disability and related benefits for the staff of the United Nations and such other organizations as might be admitted to membership. In accordance with regulations and rules adopted by the General Assembly, the Fund is administered by the United Nations Joint Staff Pension Board, which consists of 33 members, a staff pension committee for each member organization and a secretariat to the Board and to each such committee. One third of the Board members are chosen by the General Assembly and the corresponding governing bodies of the other member organizations, one third by the executive heads and one third by the participants. The Board reports to the

General Assembly on the operations of the Fund and on the investment of its assets. When necessary, it recommends amendments to the Regulations which govern, inter alia, the rates of contribution by the participants (currently 7.9 per cent of their pensionable remuneration) and by the organizations (currently 15.8 per cent), eligibility for participation and the benefits to which participants and their dependants may become entitled. Under article 4 (c) of the Regulations, the Board appoints a Standing Committee to act on its behalf when the Board is not in session. The Standing Committee is currently composed of 15 members, elected on a tripartite basis from members and alternate members of the Board or of the staff pension committees.

5. Expenses incurred by the Board in the administration of the Fund - principally the cost of its central secretariat located in New York and Geneva, and the expenses of managing its investments - are met by the Fund. Article 15 of the Regulations of the Fund provides that:

> "(a) Expenses incurred by the Board in the administration of these Regulations shall be met by the Fund.
>
> "(b) Biennial estimates of the expenses to be incurred under (a) above shall be submitted to the General Assembly for approval during the year immediately preceding the biennium to which the said estimates relate. Supplementary estimates may similarly be submitted in the first and/or the second year of the biennium to which the budget relates.
>
> "(c) Expenses incurred in the administration of these Regulations by a member organization shall be met by that organization."

6. The administrative expenses of the Fund are separated into two categories:

(a) Administrative costs, which include the cost of salaries, related staff costs and operational costs of the central secretariat of the Fund, the fees charged by the Consulting Actuary to the Fund for actuarial valuations and other services, and costs related to meetings of the Committee of Actuaries; and

(b) Investment costs, which cover fees payable to the advisers and custodians for the investment portfolio, the cost of salaries, related staff costs and operational costs of the Investment Management Service of the Fund, and costs related to meetings of the Investments Committee.

7. The expenses of individual member organizations - which include those of local staff pension committee secretariats, the travel of their representatives from the three constituent groups to meetings of the Board and its organs, and the costs of associated services - are not part of the expenses of administering the Fund. As provided in article 15 (c) of the Regulations, such expenses are borne by the budgets of the member organizations directly.

II. REVISED BUDGET ESTIMATES FOR THE BIENNIUM 1994-1995

8. In section III of resolution 48/225 of 23 December 1993, the General Assembly approved expenses, chargeable to the Fund, totalling $39,291,900 (net) for the biennium 1994-1995, for the administration of the Fund. This amount comprised $12,609,200 for administrative costs and $26,682,700 for investment costs.

9. In 1994, pursuant to article 15 (b) of the Fund's Regulations, the Board decided to submit revised estimates for the 1994-1995 biennium amounting to $39,682,100, which the General Assembly approved in section V of resolution 49/224 of 23 December 1994. The increase of $390,200 over the initial estimates for the biennium related exclusively to administrative costs, and consisted of $315,200 for temporary assistance resources, $25,000 for travel and related costs and $50,000 for data-processing costs.

10. The Secretary of the Board requested, and the Standing Committee approved for submission to the General Assembly, revised estimates for the 1994-1995 biennium amounting to $40,517,600, reflecting an increase of $835,500 over the revised estimates approved last year (see para. 9 above).

11. The proposed revised estimates for the 1994-1995 biennium consist of $13,309,400 for administrative costs, reflecting an increase of $310,000; and $27,208,200 for investment costs, reflecting an increase of $525,500. A breakdown of the proposed revised estimates by object of expenditure is provided in annex II; the increases involved are described below.

A. Administrative costs

Common staff costs

12. In its resolution 49/222 of 23 December 1994, the General Assembly endorsed an early separation programme for United Nations staff, as one element of the strategy for human resources management that had been submitted to the Assembly. As several staff members in the Fund secretariat had expressed an interest in the early separation programme, the Standing Committee concurred with the request of the Secretary to extend the applicability of the programme to Fund staff members. Based on the inquiries received and the estimated cost to the Fund of the compensation packages involved, additional resources amounting to $300,000 are requested under this item.

Office furniture and fixtures

13. The 1992-1993 biennium budget had included resources recommended by the Board and approved by the General Assembly to meet the costs of renovating the Fund's office accommodations in New York. In order to realign the office layout within one of the sections of the Fund to accommodate an additional office and to restructure and relocate some of the work stations, additional resources of $10,000 are requested under this heading.

B. Investment costs

14. The increase in investment costs ($525,500) consists of net additional resources required under advisory and custodial fees ($904,000), which are contractually linked to the market value of the Fund's portfolio, offset in part by reductions in overtime ($11,900), travel of staff ($5,100) and of the Investments Committee ($136,800), investment reference services ($69,500), communications services ($5,600), data processing ($50,200), hospitality ($9,600), miscellaneous supplies and services ($2,000), training ($13,500) and office furniture and fixtures ($74,300).

III. BUDGET ESTIMATES FOR THE BIENNIUM 1996-1997

A. Summary of the budget proposals and the views of the Standing Committee thereon

15. Paragraphs 16 to 27 below provide (a) a summary of the budget proposals for the biennium 1996-1997 submitted by the Secretary of the Board to the Standing Committee, indicating the additional resources requested by object of expenditure and (b) the comments made by the Standing Committee on certain aspects of the proposed budget and its conclusions as to the submission to be made to the General Assembly. This is followed, in paragraphs 28 to 81 below, by a detailed presentation of the budget in the new United Nations budget format.

16. The budget proposals of the Secretary for the biennium 1996-1997, following removal after the Standing Committee meeting of one of the proposed reclassifications (P-2 to P-3) under administrative costs, which had not been confirmed by the United Nations Compensation and Classification Service, provided for net expenditures of $40,601,700, as compared with $39,682,100 in the approved budget for the 1994-1995 biennium and $40,517,600 under the revised estimates for the same biennium (see para. 10 above). The resources requested included $13,740,000 for administrative costs, of which $916,300 were non-recurrent, and $26,861,700 for investment costs, all of which were recurrent. The recurrent administrative costs ($12,823,700) amounted to approximately 0.19 per cent of the estimated total pensionable remuneration for the biennium 1996-1997; in the actuarial valuation of the Fund, provision is made for administrative costs of 0.18 per cent of pensionable remuneration. Based on past experience, the Secretary indicated that the actual ratio of recurrent administrative costs to the actual total pensionable remuneration during the 1996-1997 biennium would likely be within 0.18 per cent of pensionable remuneration.

1. Administrative costs

17. The proposed administrative costs of $13,740,000 involved a resource growth of $1,505,900 ($589,600 in recurrent costs and $916,300 in non-recurrent costs) which related, for the most part, to (a) requests for three additional established posts - one P-4, one General Service (Other level) and one General Service (Principal level) - and for reclassifications of four posts - one P-3 to

P-4 post and three General Service (Other level) posts to the Principal level; (b) additional recurrent costs for external audit ($1,900) and for the cost of priority-rate postage for mailing certificates of entitlement and cost-of-living notifications to beneficiaries ($40,000); and (c) the share of the cost of the internal audit function ($200,000) for UNJSPF (see paras. 22 and 23, and 40-54 below).

18. The additional non-recurrent resource growth of $916,300 consists of (a) consulting fees ($94,900) and the temporary rental of data storage ($224,000) in connection with the development and testing of the next phase of the upgrading of the computer systems; (b) temporary assistance funds ($347,400) to support, inter alia, activities in the Information Management Services Section as regards maintenance and enhancement of the PENSYS Benefit Processing System and the development of an interface for the Geneva office and to provide administrative and clerical support to the Office of the Secretary and to the Geneva Office; and (c) an amount of $250,000 to cover the anticipated cost of consulting services and external reproduction charges for preparing and publishing a number of communications-related publications and videos.

2. Investment costs

19. The investment costs of $26,861,700 involved a net resource growth of $283,800. The increases amounting to $1,159,700 related to (a) the establishment in the Investment Management Service of six new posts and the reclassification of two posts ($870,200): a D-1 post for a Deputy Chief to provide better management of the Service; one P-5 post and one P-4 post to handle equity investments, three General Service (Other level) posts, one in the Investments Section and two in the Operations Section; the reclassifications of the post of the Chief of the Investment Management Service from D-1 to the D-2 level and the post of the Information Systems Analyst from P-3 to the P-4 level; (b) the investment operations share in the cost of the new internal audit function ($200,000), (c) investment reference services ($77,700); (d) communications ($6,800) and office furniture ($5,000). These additional resources were partially offset by decreases amounting to $875,900 consisting of reductions in (a) the cost of investment consultants and in the combined advisory and custodial fees ($672,700) as a result of savings expected from the implementation of a new custody structure; (b) travel costs of the Investments Committee and staff ($108,400); (c) data-processing costs ($56,400); (d) overtime and training costs ($30,100); (e) hospitality ($6,900); and (f) miscellaneous supplies and services ($1,400).

20. The Representative of the Secretary-General for the investments of the Fund informed the Standing Committee that, as a matter of managerial procedure and prudence, he had requested a top-to-bottom review of the staffing and classification of the Investment Management Service by the United Nations Office of Human Resources Management. The classification exercise had confirmed the need to upgrade the level of some posts, including that of the Chief of the Investment Management Service, given the level of responsibilities involved. The staffing review also indicated a need for additional posts to correct the severe understaffing of the Investment Management Service. In 1995, some of the savings from the new custodial arrangements were used to provide temporary

staffing assistance, namely one P-3 and three General Service staff. The Representative of the Secretary-General stated that the remuneration and the levels of posts of the Investment Management Service were not competitive, making it difficult to attract or retain good portfolio managers. In his view, the upgrading of certain posts would at least reduce turnover slightly and, at the same time, make it possible to attract better qualified new staff. He urged the Standing Committee, in discharging its oversight responsibilities on behalf of the Board, to ensure that adequate resources were provided to meet investment management needs.

3. Comments of the Standing Committee

21. The discussions in the Standing Committee on the Secretary's budget proposals focused mainly on the resources requested for an internal audit function for the Fund and on the staffing requests for the Investment Management Service.

22. The internal audit costs related to the establishment of an internal audit function for the Fund, as had been recommended by the Board of Auditors, endorsed by the Pension Board and the Advisory Committee on Administrative and Budgetary Questions (ACABQ), and approved by the General Assembly in 1994 (see paras. 40-43 below). The Board had requested the Secretary to pursue the matter with the newly created Office of Internal Oversight Services in the United Nations, to ascertain whether administrative arrangements could be made to extend the services of that office to the Fund secretariat on a regular basis, and to report to the Standing Committee as regards the financial implications for the proposed 1996-1997 biennium budget, and to the Board at its next regular session in 1996. Following exchanges of views by the Secretary with the Representative of the Secretary-General for the investments of the Fund and with the Under-Secretary-General for Internal Oversight Services (see paras. 44-54 below), the Secretary suggested providing funding for the Office of Internal Oversight Services for the biennium 1996-1997 at the level of $500,000, at 1995 rates, to cover the costs of the internal audit function, pending future action by the Board and the General Assembly during the next biennium regarding longer-term audit arrangements. The Under-Secretary-General for Internal Oversight Services had suggested arrangements which had a cost of $941,600, at 1995 rates (see para. 54 below).

23. The Secretary of the Board had proposed that the amount of $500,000, at 1995 rates, be divided between the two components of the Fund, as follows: $300,000 for auditing the activities of the Fund secretariat and $200,000 for auditing the investment operations. Of the costs related to internal audit of the Fund secretariat, one third would be charged to Section 1 of the United Nations regular budget, as the audits would also cover the functions performed by the Fund's secretariat as the local pension secretariat for the United Nations.

24. During the discussions in the Standing Committee, some members questioned the wisdom of having the internal audit functions assigned to an office outside the Fund secretariat, as the advantages of truly internal auditing would thereby necessarily be lost. Concern was also expressed that (a) the inter-agency

nature of the Fund might be compromised by contracting out these functions to the Office of Internal Oversight Services in the United Nations, and (b) there was insufficient pension and investment expertise in the Office of Internal Oversight Services at the present time, which would therefore require the retention of outside consultants and firms with special expertise to provide advice on pension administration and investment matters, as well as to review and monitor the investment custodial arrangements. In commenting on the Office of Internal Oversight Services' response to the budget proposals of the Secretary (see paras. 49 and 50 below), several speakers questioned whether the Fund really represented "high risk" requiring the extensive internal auditing envisaged in the establishment of a separate UNJSPF audit unit within the Office of Internal Oversight Services. While some speakers considered that an internal audit function would be a more effective management tool if performed by auditors within the Fund, most agreed that the arrangement with the Office of Internal Oversight Services should be seen as a desirable first step in an evolutionary process. The Committee agreed with the proposal that $500,000, at 1995 rates, should be made available in the 1996-1997 budget to cover the internal audit function, with the matter to be reviewed by the Board at its next session and on the occasion of the preparation of the budget proposals for the 1998-1999 biennium.

25. In discussing the upgrading of the post of the Chief of the Investment Management Service to the D-2 level, several members of the Standing Committee expressed concern with the proposed establishment of a grade equivalence between the position of the Chief of the Investment Management Service and that of the Secretary of the Board, considering that the latter serves as the Chief Executive Officer of the Fund under the provisions of article 7 of the Fund's Regulations. Recognizing that the proposed reclassification does not constitute an institutional reform, the Committee reaffirmed the role of the Secretary as the Chief Executive Officer of the Fund and, considering that the assets of the Fund were deposited and held on behalf of the participants and beneficiaries of the Fund, also reaffirmed that the Board retains important responsibilities as regards both the investment policies and transactions, as recognized in article 19 of the Regulations.

26. The Committee stressed the need to avoid a bifurcation in the operations of the Fund. It therefore was unable to take a position on the staffing arrangements proposed for the Investment Management Service, particularly as regards the reclassification of the post of the Chief of the Investment Management Service.

27. At the conclusion of the discussion, the Standing Committee requested the Secretary to submit to the General Assembly, in accordance with the established procedures, the budget proposals for the 1996-1997 biennium, as presented to the Standing Committee by the Secretary of the Board, including the results of the review that had been initiated by the Representative of the Secretary-General as regards the staffing needs and structure of the Investment Management Service (see paras. 70-75 below).

B. Presentation of the budget proposals for the 1996-1997 biennium submitted by the Secretary of the Board to the Standing Committee

28. Since the central secretariat of the Fund also serves as the local secretariat of the United Nations Staff Pension Committee, the United Nations shares in the expenses of the central secretariat. In accordance with the long-standing apportionment formula agreed to by the Board and the General Assembly, the United Nations share includes one third of the total cost of established posts, related common staff costs and overtime, as well as a contribution to the identifiable costs of communications. Section I of the United Nations regular budget for the biennium 1996-1997 includes $2,978,000 as the United Nations share of the administrative costs of the central secretariat, and $1,822,500 as the United Nations Development Programme/United Nations Children's Fund share, which is reflected in the United Nations budget as extrabudgetary resources. The total amount available to the central secretariat of the Fund is therefore $4,800,500. These costs are based on the staffing table of the Fund secretariat for the 1994-1995 biennium, as approved by the General Assembly, and therefore do not take into account the changes in the 1996-1997 biennium budget proposals for UNJSPF that are described below.

29. The budget estimates for the biennium 1996-1997 which are chargeable to the Fund amount to $40,601,700, as compared to the initially approved budget and revised estimates for the biennium 1994-1995 of $39,291,900 and $39,682,100, respectively. The total resources requested include $13,740,000 for administrative costs, of which $916,300 are non-recurrent, and $26,861,700 for investment costs, all recurrent. The estimates for established posts, common staff costs and overtime shown under the heading "Administrative costs" are net after deduction of the one-third contribution made in the United Nations regular budget for the biennium 1996-1997.

30. The estimates reflect the current standard costings and inflation assumptions used by the United Nations in its proposed programme budget for the biennium 1996-1997. Following the new United Nations budget format, the proposed budget estimates for the biennium 1996-1997 are compared with the revised approved appropriations for the biennium 1994-1995 and with the actual expenditures for the biennium 1992-1993. It should be noted that the "recosting" figures include the impact of changes from the initial standard costings and inflation assumptions used in the approved initial appropriations for the biennium 1994-1995; unlike the United Nations regular budget, the UNJSPF budget was not recosted as of the end of 1994.

31. Table 1 below provides a summary of requirements by the two components of the Fund's budget, i.e., administrative costs and investment costs.

Table 1. Summary of requirements by component

(Thousands of United States dollars)

Cost components	1992-1993 expenditures	1994-1995 appropriations	Resource growth		Total before recosting	Recosting	1996-1997 estimates
			Amount	Percentage			
A. Administrative costs	12 865.2	12 999.4	1 505.9	4.8	14 505.3	(765.3)	13 740.0
B. Investment costs	26 712.3	26 682.7	283.8	1.1	26 966.5	(104.8)	26 861.7
Total	39 577.5	39 682.1	1 789.7	2.3	41 471.8	(870.1)	40 601.7

1. Administrative costs

32. As indicated in paragraph 29 above, the resources requested to cover administrative costs in the biennium 1996-1997 amount to $13,740,000, including a resource growth of $1,505,900, at 1995 rates. The recurrent costs are $12,823,700 and represent approximately 0.19 per cent of the estimated total pensionable remuneration for the biennium 1996-1997. (In the actuarial valuation of the Fund, provision is made for administrative costs of 0.18 per cent of pensionable remuneration.) Based on past experience, it is expected that the actual ratio of administrative costs to the estimated total pensionable remuneration during the 1996-1997 biennium will be less than the estimated 0.19 per cent of pensionable remuneration. For example, the initial estimate of the administrative costs presented to the Board in 1991 in respect of the 1994-1995 biennium represented 0.187 per cent of the estimated total pensionable remuneration for that biennium. However, taking into account revisions made by the General Assembly and the actual cost experience, those costs were reduced to 0.166 of the total estimated pensionable remuneration under the revised budget estimates for 1994-1995. The actual administrative costs for 1994 were $5,998,705, which was lower by some $52,000 than the corresponding costs for 1993, and represented 0.83 per cent of the total cost of benefit payments. The Committee of Actuaries, in its comments on the financial statements for the year ended 31 December 1994, observed at its June 1995 meeting that the ratio of administrative expenses to benefit payments compared favourably with the administrative costs incurred by other pension funds and social security systems, including United States Social Security, and noted that this was particularly significant considering the size, world-wide scope and administrative complexity of the United Nations pension system.

33. A breakdown of the administrative costs by the consolidated objects of expenditure used under the United Nations budget format is set out in table 2 below. In order to relate this presentation with that used in the budget format for the 1994-1995 biennium, annex III provides a breakdown of costs under both the previous and the consolidated groupings of objects of expenditure.

Table 2. Summary by object of expenditure

(Thousands of United States dollars)

Administrative costs

Object of expenditure	1992-1993 expenditures	1994-1995 appropriations	Resource growth		Total before recosting	Recosting	1996-1997 estimates
			Amount	Percentage			
Posts	7 807.7	9 577.2	347.7	3.6	9 924.9	12.8	9 937.7
Other staff costs	323.4	729.3	347.4	-	1 076.7	(311.1)	765.6
Travel	141.3	195.6	-	-	195.6	2.6	198.2
Contractual services	1 213.6	1 041.5	446.8	33.7	1 488.3	(442.8)	1 045.5
General operating expenses	515.3	1 008.6	364.0	3.9	1 372.6	19.3	1 391.9
Supplies and materials	160.4	155.6	-	-	155.6	(49.9)	105.7
Equipment	2 703.5	291.6	-	-	291.6	3.8	295.4
Total	12 865.2	12 999.4	1 505.9	4.8	14 505.3	(765.3)	13 740.0

Activities

34. The administrative expenses in the proposed 1996-1997 budget include the costs of implementing the final phase of the project to replace the Fund's computer-based systems. It will be recalled that at its thirty-eighth session, in June 1990, the Board had based its budget proposals for the 1990-1991 biennium on the results of a comprehensive study of the administrative and operational capacities of the Fund's secretariat, carried out by outside consultants. The consultants had concluded that "improvements in data-processing support would have the greatest impact on the effectiveness and efficiency of the Central Secretariat's operations and its capacity to handle future growth". They recommended the development of a strategy to replace the existing computer systems with a fully integrated system based on the latest technology, which would "integrate applications hardware needs with telephone communications, document-imaging equipment, word-processing capabilities, and data linkages. ... that is, voice, data, image, and text handling should ultimately be integrated". The 1990-1991 biennium budget also included resources to initiate changes in the organizational structure and operations of the Fund's secretariat, including the expansion of the role of the Geneva office and the improvement of office accommodation of the Fund's secretariat.

35. The budgets for the 1992-1993 and 1994-1995 biennia included resources to develop and implement successive phases of the computer project and of consequent changes in the organizational structure and operations. The activities related to the computer project included (a) development of three priority applications of a new integrated system (PENSYS), namely, the Operations Control System, the Benefit Calculation and First Payment System, and the Participant System; (b) selection and development of an Optical-disc Based

Imaging System (OBIS); (c) conversion of the Fund's hard-copy records (more than 2.5 million pages) to an optical-disc medium; (d) development and implementation of "work-flow", a feature of OBIS for integrating access to optical records with the applications of PENSYS; and (e) telecommunication access to PENSYS and OBIS for staff in the Fund's Geneva office, enabling them to access the records of all participants and beneficiaries, scan incoming and outgoing documents, and open, process and/or forward cases to other staff at Geneva or New York. By the end of 1995, approximately 85 per cent of the systems development and implementation project will have been completed. Annex IV provides a summary of all planned developmental activities and their target completion dates.

36. PENSYS and OBIS, as well as the consequent changes made in the organizational structure and the methods of work, have enabled the Fund to improve and enhance its services and performance objectives. Through the Participant System, information on participants and beneficiaries can be quickly accessed; the Operations Control System provides a facility for setting work priorities, tracking the status of individual cases, monitoring overall performance and generating reports for the use of supervisors and, where necessary, for member organizations as regards participants employed by them. The Benefit Calculation and First Payment System now provides the means to pay withdrawal settlements and initial periodic pensions and lump-sum commutations on a more timely basis. Benefit revisions can also now be automatically processed with the development and implementation of the Benefit Revision Sub-system. The "workflow" processing feature of OBIS routes electronic documentation to work queues and serves as the basis for distributing work to staff and monitoring its progress.

37. The additional resources requested for the biennium 1996-1997 relate, for the most part, to (a) further enhancement of PENSYS by completing the development and implementation of the remaining planned applications: Payroll, Accounts, Cashier, Year-end, Executive Office, and Benefit Estimates Systems; (b) additional staff resources to cope with the increasing volume of work, including user inputs to the development and testing of the various features of the new computer systems; and (c) costs related to the establishment of an internal audit function that had been recommended in 1994 by the Board of Auditors and endorsed by the Pension Board and the General Assembly.

38. With regard to the size and scope of the administrative operations of the Fund's secretariat, certain statistical indicators may be cited as illustrative. The number of active participants in the Fund, as of 31 December 1994, stood at 63,813 compared with 58,263 at the end of 1990, an increase of 9.1 per cent. During the same period the number of periodic benefits awarded increased from 30,901 to 37,156, or by 20.2 per cent. Periodic benefits are paid to beneficiaries in more than 160 countries, in 27 different currencies, and total the equivalent of approximately $50 million each month. In addition, withdrawal settlements and other lump-sum payments range each month from $10 million to $15 million. The volume of documents, administrative forms and correspondence that the Fund secretariat must process also continues to increase significantly. The table in annex V provides a breakdown of the number of work cases completed during the years 1993, 1994 and 1995, for selected work types. As can be noted from the table, the volume and variety of work processed has grown from year to year. For example, in 1994, in addition to the calculation and payment of over

6,600 new benefits, more than 3,000 benefits had to be revised or re-calculated because of retroactive salary changes, changes in country of residence, children reaching the age of 21 years, etc. During the first half of 1995, over 1,200 benefit estimates were prepared, including over 400 from mid-May to mid-June 1995. With respect to incoming documentation, during 1994 over 172,000 documents were scanned into the OBIS, and by mid-June 1995 more than 98,000 further documents were scanned (each document contains, on average, 1.5 pages of information).

39. While the emphasis in the past was placed on building a solid technological infrastructure to support the Fund's main activity, i.e., providing pension services to its participants and beneficiaries, the focus in the next biennium will be on improving further both the quality and timeliness of these services. Particular attention will be paid to completing the application systems in PENSYS, improving and extending OBIS operations, further training of staff, and the reduction of work backlogs. Additional staff will be needed for the Fund secretariat to complete its developmental, testing and training activities as regards PENSYS and OBIS and to cope at the same time with the high volume of day-to-day work in processing participant entries and separations, estimates of benefits, determination of initial benefits and their subsequent adjustments, accounting, payroll and cashier activities, handling appeals, responding to correspondence, document preparation, reproduction and distribution, etc. It is difficult at this stage to determine the longer-term staffing needs of the central secretariat as all the new systems are not yet in place. Therefore, the Secretary proposes that the current need for additional staffing resources be met, for the most part, through the provision of temporary assistance funds.

Internal audit function

40. In its report on the accounts of the Fund for the year ended 31 December 1993, the Board of Auditors noted that article 14 (b) of the Fund's Regulations provided for an audit of the accounts of the Fund by the United Nations Board of Auditors, but that no provision was made for an internal audit function. Noting the different and separate roles of internal and external audit functions, the Board of Auditors recommended that

> "consideration should be given either to formally designating the [then] Office of Inspections and Investigations as the internal auditors of the Fund or alternatively establishing arrangements for a separate internal audit function for the activities of the Fund" (para. 64 of annex III of A/49/9).

41. In its report (A/49/9) to the General Assembly in 1994, the Pension Board agreed that the Fund's operations, because of their complexity and scope, required regular internal audits, in addition to the audits performed annually by the External Auditors. However, views differed in the Board as to the arrangements to be made. Some members believed that the Fund would benefit most from internal audits carried out within the context of the establishment of an internal audit section in the Fund secretariat, whose staff would have obtained a good knowledge of the Fund's operations; others considered that this option required further study, including its cost implications. The Board agreed that, "for the time being, the use of the internal audit services of the United

Nations should be explored, notwithstanding the inter-agency nature of the Fund and its operations", and that "the results of any internal audits, whether carried out by the United Nations or any other entity, should be communicated to the Pension Board through its Secretary and not otherwise distributed", with the exception of internal audits of the Investment Management Service, which performs a function delegated to the United Nations Secretary-General under the Regulations of the Fund. The Board therefore requested the Secretary to pursue the matter with the newly created Office of Internal Oversight Services in the United Nations, to ascertain whether administrative arrangements could be made to extend the services of OIOS to the Fund secretariat on a regular basis, and to report to the Standing Committee regarding the financial implications for the proposed 1996-1997 biennium budget, and to the Board at its next regular session in 1996.

42. In its report (A/49/576), ACABQ requested the Pension Fund to present to the Advisory Committee the financial implications of the two options mentioned by the Board of Auditors in the context of the budget proposals for the biennium 1996-1997. The Committee indicated that "taking into account the inter-agency nature of the Fund's operation, the internal audit function should be structured so as to ensure a wide coverage of the Fund's activities. It should provide the Pension Board and its executive management with a systematic and independent review mechanism of the Fund's operations for the purpose of improving its management practices and the overall efficiency and economy of its operations."

43. In Section VI of resolution 49/224, the General Assembly took note of the action taken by the Pension Board and the comments of ACABQ, and requested the Board to report to the General Assembly, in the context of its budget submission, on the arrangements made for the internal audit of the Fund and the costs thereof.

44. The Secretary met with the Under-Secretary-General for Internal Oversight Services in December 1994 and agreed that arrangements and modalities would be pursued for the systematic internal auditing of the Fund's activities and operations by the United Nations Office of Internal Oversight Services and that, subject to discussions with the Secretary-General's Representative for the investments of the Fund, the internal audit arrangements would also cover the investments of the Fund's assets. It was also agreed that the frequency and scheduling of internal audits would be coordinated with the United Nations Board of Auditors to avoid unnecessary overlapping of the internal and external audits. Subsequently, discussions took place with the Director of the Audit and Management Consulting Division of OIOS on the modalities, financial implications and initial programme of internal audits.

45. After several exchanges of views concerning the coverage of the internal audits and the staffing requirements, OIOS suggested the establishment of a "UNJSPF Audit Unit" in OIOS, with a staffing table consisting of two P-4s, one P-3 and one GS (Other level) and the provision of resources for incidental expenses such as training, electronic data-processing (EDP) equipment and travel. It was also indicated that, whenever necessary, OIOS would deploy its current staffing resources to supplement the suggested staffing resources, in particular, for the EDP operations. The suggestion was also made that the Fund

might redeploy staffing resources to OIOS during 1995 to enable the initiation of preparatory work for the audit of UNJSPF and to start filling posts as soon as possible. As regards internal audits of the investment operations, pursuant to discussions the Under-Secretary-General of OIOS had earlier with the Representative of the Secretary-General for the investments of the Fund, OIOS had suggested that the Investment Management Section should fund one P-4 post and allocate $50,000 for the 1996-1997 biennium to engage an outside party to assist OIOS; in addition, it was indicated that a provision of approximately $28,000 to $31,000 would be needed for an investment audit in 1995.

46. Since the Pension Board had indicated its intention to consider further, at its session in 1996, the arrangements for the internal audit function (see para. 41 above), the Secretary advised the Under-Secretary-General for Internal Oversight Services that he was not in a position to make a longer-term commitment at this time to the establishment of a "UNJSPF Audit Unit" in the Audit and Management Consulting Division of the Office of Internal Oversight Services. The Secretary indicated further that he did not consider a team of four Professional staff to be a realistic starting-point to perform internal audit functions for the Fund on a full-time basis. While the Fund's assets may be large, its operational base was limited essentially to New York, with a branch office at Geneva. Based on experience with two six-week audits performed each year by the External Auditors, the Secretary indicated to the Office of Internal Oversight Services that, in his view, the demands that would arise from additional full-year internal audits (in the form of required liaison activities, requests for information, briefings, responses to observations, etc.) would severely compromise the secretariat's operational capabilities, as the additional audit-related work would have to be met by its staff in addition to their normal responsibilities. The Secretary believed that establishing a unit with four Professional staff members, who would be engaged on a full-time basis to carry out internal audits of the Pension Fund, would be an excessive starting-point for any assessment of the long-term requirements of an effective internal audit arrangement for UNJSPF. An evolutionary approach, beginning small and building as needed, based on experience, would seem to be more appropriate.

47. A further question was whether the Fund's budget should provide for established posts for the internal audit function, or allocate resources under a global budget line to cover both staffing needs and the use of external expertise, as necessary, or adopt a combination of the two approaches. In this connection, two considerations would have to be borne in mind: (a) whatever structure was agreed upon would be in the nature of a pilot programme, i.e., for an interim period; and (b) either now or in the future, the United Nations would have to incur one third of the cost of posts (including common staff costs) under Section 1 of the United Nations regular budget, since the Fund secretariat also served as the secretariat of the United Nations Staff Pension Committee. Furthermore, specialized outside expertise would be necessary from time to time for audits of certain investment arrangements (e.g., the investment decision-making process), as well as for certain aspects of pension administration (e.g., procedures for ensuring the continuing eligibility of recipients for benefits).

48. With these considerations in mind, the Secretary suggested to OIOS the following initial arrangements: inclusion of sufficient resources in the 1996-1997 biennial budget to enable the OIOS to fund three temporary posts (one P-4, one P-3, one GS), should it believe this to be the best course - pending a final decision on the internal audit arrangements to be made by the Pension Board, ACABQ and the General Assembly - supplemented with an additional allocation of $100,000 to cover the costs of the use of consultants with specific experience in pensions/investments and other expenses. The Secretary also indicated that proposals would not be made as regards revised estimates for 1994-1995, since General Assembly approval for such additional expenditure could not be obtained before December 1995 and the Fund could not redeploy any of its 1994-1995 resources.

49. In response to these suggestions, the Under-Secretary-General for Internal Oversight Services confirmed the OIOS belief that a fully dedicated UNJSPF audit unit should be created and suggested that OIOS focus on the following three audit areas:

"A. Expenses of the secretariat of the UNJSPF Board;

"B. Receipt and disbursement of funds by the Fund; and

"C. UNJSPF investments."

50. As regards item A, the Office of Interral Oversight Services indicated its willingness to initiate this audit in 1995 by redeploying its resources. It would also proceed with item C by assigning staff and engaging outside experts to review certain aspects of the Fund's investments. As to item B, the Under-Secretary-General made the following observation, which he indicated might be conveyed to the Standing Committee:

"(i) Considering the number of beneficiaries (approximately 37,000), and the volume of receipts ($700 million excluding investment income), and disbursements ($790 million) as well as the scope and objectives of the audit coverage, our proposal as to the number and level of posts is rather realistic.

"(ii) Our assessment of the risks in the "B" area is somewhere between 'medium' and 'high'. Precise assessment could be given only after extensive and intensive audits.

"(iii) Audit coverage will be done in relation to staffing resources provided by the Fund. First priority will be certainly given to high risk areas.

"(iv) The Office of Internal Oversight Services would conduct an audit of the electronic data-processing system by staff financed from the regular budget.

"(v) This is as far as we can go in auditing 'A', 'B' and 'C' at the expense of posts financed by the regular and extrabudgetary budgets. One must remember that our auditing capacity is still rather limited considering the overall audit population and desired frequency of audits. The General Assembly and Member States are now making efforts to bring the audit staffing component to the pre-1994 level.

"(vi) In conclusion, I must share with you my concern that even if a UNJSPF audit unit is established effective January 1996, I doubt that it will become operational before the second or third quarters due to the normal placement and training processes."

51. Subsequently, the Representative of the Secretary-General for the investments of the Fund advised the Under-Secretary-General for Internal Oversight Services of his intention to recommend $200,000 be included under "Investment Costs" in the 1996-1997 biennial budget for UNJSPF, for audit services by an outside firm with investment accounting experience to carry out comprehensive auditing of the investments of the Fund. He indicated further that the funding would not be for the establishment of a post and that with regard to 1995, there were no funds available to cover the costs for consultancy work.

52. Taking into account the exchanges summarized in paragraphs 45 to 51 above, the Secretary would suggest funding for the Office of Internal Oversight Services for the biennium 1996-1997 at the level of $500,000, plus inflation, under "contractual services", to cover the costs of the internal audit function, pending future action by the Board and the General Assembly during the next biennium regarding longer-term audit arrangements. This amount might be divided between the two components of the Fund as follows: $300,000, plus inflation, for auditing the activities of the Fund secretariat and $200,000, plus inflation, for auditing the investment operations. Of the costs related to the Fund secretariat, one third would be charged to Section 1 of the United Nations regular budget as the internal audits would also cover those activities of the Fund's secretariat which relate to its services as local secretariat of the United Nations Staff Pension Committee (see paras. 28 and 47 above). Therefore, the total contribution to the Office of Internal Oversight Services of $512,000, including inflation, would be charged as follows:

Administrative costs chargeable to Section 1 of the United Nations regular budget (UN/UNDP/UNICEF share)	$102,400
Administrative costs chargeable to the Fund	$204,800
Investment costs chargeable to the Fund	$204,800
Total	$512,000

53. At the request of the Office of Internal Oversight Services, the costs related to the arrangements described in paragraph 45 above are also provided herein. As can be seen from that paragraph, the Office of Internal Oversight Services suggested funding for the internal audit function of UNJSPF as follows:

(a) as regards the audit of the Fund secretariat operations, four posts - two P-4, one P-3, one GS (Other level) - plus a provision of resources for incidental expenses such as training, electronic data-processing equipment and travel (the amount of the latter was not indicated); (b) as regards the audit of the Investment operations, one P-4 post and $50,000 to engage an outside party to assist the Office of Internal Oversight Services in the investment audit. The costs of the posts for the 1996-1997 biennium were estimated at $682,400 for the audits of the Fund's secretariat and $205,000 for the investment audits. Assuming incidental expenses under (a) above at $25,000, plus inflation, the total cost of the arrangements suggested by the Office of Internal Oversight Services would be approximately $964,200, which included $50,000 for outside expertise, plus inflation.

54. Table 3 below provides a breakdown comparing the funding levels under the arrangements suggested by the Office of Internal Oversight Services with that proposed by the Secretary and included in the budget estimates for the 1996-1997 biennium, assuming in both cases that one third of the costs related to the audit of the operations of the Fund's secretariat would be charged to Section 1 of the United Nations regular budget:

Table 3

	Office of Internal Oversight Services proposal	Secretary's proposal
Administrative costs chargeable to Section 1 of the United Nations regular budget (UN/UNDP/UNICEF share)	$236,000	$102,400
Administrative costs chargeable to the Fund	$472,000	$204,800
Investment costs chargeable to the Fund	$256,200	$204,800
Total	$964,200	$512,000

Post requirements

55. The post requirements for the Fund's secretariat are set out in table 4 below:

Table 4. Post requirements, secretariat of the Pension Fund

	Established posts		Temporary posts		Total	
	1994-1995	1996-1997	1994-1995	1996-1997	1994-1995	1996-1997
Professional category and above						
D-2	1	1	-	-	1	1
D-1	2	2	-	-	2	2
P-5	5	5	-	-	5	5
P-4/3	24	25	-	-	24	25
P-2/1	1	1	-	-	1	1
Total	33	34	-	-	33	34
General Service category						
Principal level	0	4	-	-	0	4
Other levels	70	68	-	-	70	68
Total	70	72	-	-	70	72
Grand total	103	106	-	-	103	106

Resource requirements (at current rates)

Posts

56. The estimated requirements under this heading ($9,924,900), which reflect a growth of $347,700, relate to three additional established posts: two posts in New York (one P-4, one G-7) and one General Service (Other level) post at Geneva. The incumbent of the proposed P-4 post would serve as coordinator for work related to the new internal audit function for the Fund (see paras. 40 to 54 above), and for the external audits; assist in the preparation of documents required for Board sessions and meetings of the Standing Committee and Committee of Actuaries; assist in responding to the heavy volume of correspondence and to appeals from participants and beneficiaries concerning their entitlements, as well as in the preparation of newsletters and other general information documents. The G-7 post is required for the Financial Services Section in order to maintain operational control of the Fund's general ledger accounts and Emergency Fund disbursements under the new automated accounting system that will be completed this year, to provide assistance in the preparation of the annual financial statements and to perform administrative support functions for the Chief of Section. The United Nations Accounts Division has until now provided financial reporting services to the Fund by processing accounting vouchers and generating monthly general ledger accounts and trial balances. With the imminent introduction of the finance module of the Integrated Management Information System (IMIS) these services will no longer be supported by the United Nations. This development will advance the already

foreseen need for the Fund to develop its own computer-based accounting system, which would be more closely linked to its requirements and would provide greater flexibility and better control over the timing and performance of its year-end activities.

57. The General Service (Other level) post requested for the Geneva office would provide for a computer assistant/accounting clerk. The incumbent would handle daily routing interventions on the Geneva system between the network, scanner, printers and PCs; perform accounting tasks, such as production of tax statements (about 400 per year) and ad hoc attestations (about 300 per year); undertake background research for responding to pensioners' requests; prepare local-currency pension estimates, etc. The Finance Officer, who is currently performing these tasks, would then be able to concentrate on more substantive tasks which relate to the cashier, payroll, accounting and computer operations at Geneva which fall under his responsibility.

58. The reclassification of four posts is also requested: one P-3 post to the P-4 level in the Geneva office; two General Service (Other level) posts to the Principal level in the Pension Entitlements Section; and one General Service (Other level) post to the Principal level in the Financial Services Section. The P-3 post had been approved in 1991 in conjunction with the decision to expand the role of the Geneva office. The incumbent serves as the Finance Officer for payroll, cashier and accounting functions, as well as the Information Systems Officer for the Geneva office. Since 1991, more activities have been assigned to the post in terms of both financial and computer operations, consequential to the extension of the PENSYS and OBIS applications to that office. During 1995, the Geneva office will have initiated the final stage of its phased involvement in the determination and payment of all types of benefits, including, in particular, initial periodic benefits and lump-sum commutations.

59. The requested reclassifications of three General Service (Other level) posts to the Principal level would provide recognition of the additional and difficult functions assigned to very senior staff who have acquired considerable knowledge and experience of a highly complex pension system. Two of the incumbents would serve as senior audit clerks in the Pension Entitlements Section and the other as senior accounting clerk in the Financial Services Section. The Fund currently has 70 General Service posts, with 26 at the G-6 level and none at the Principal level.

Other staff costs

60. Resources requested under this heading ($765,600) comprise provision of $560,900 for temporary assistance; $180,000 for overtime related to preparation of documentation for the Board, the Standing Committee, the Committee of Actuaries, the member organizations of the Fund and the relevant legislative bodies, and to reduce work backlogs; and $24,700 for training related mainly to changes in the computer systems. The temporary assistance resources ($560,900) would be used to (a) support activities in the Information Management Services Section as regards maintenance of the PENSYS Benefit Processing System and the development of an interface for the Geneva office for paying retirement benefits directly, and to provide support to other PENSYS systems, as needed; (b) to

provide administrative support to the Office of the Secretary, the Chief of Operations and to the Executive Office in New York and to the Geneva office as regards documents reproduction and dispatch, scanning of incoming and outgoing policy/administrative correspondence, recording and tracking of correspondence, creation and maintenance of databases and electronic filing in respect of policy documents, and other general activities; and (c) to cope with peak workload periods, and for replacements of staff on maternity and extended sick leave. As indicated in paragraph 39 above, it is proposed to meet these urgent staffing needs through the provision of temporary assistance funds, pending a future reassessment of longer-term staffing when all the Fund's computer systems are in place.

Travel

61. The estimated requirements ($198,200) cover the travel and related costs of the Committee of Actuaries ($67,100) and of the staff of the Fund ($131,100). Travel of the Committee covers the attendance of its members at their annual meeting, and the attendance of the Committee's Rapporteur at sessions of the Board and/or the Standing Committee. Staff costs include attendance of the Secretary and/or other staff at sessions of the Board, the Standing Committee, the International Civil Service Commission and the Consultative Committee on Administrative Questions, as well as at meetings with the secretaries of local staff pension committees. Provision is also made for official visits, combined with home leave where possible, to the headquarters and other offices of member organizations to coordinate the services provided to participants and beneficiaries, and to discuss pension matters with staff members and retirees.

Contractual services

62. The resources requested under this heading ($1,085,500) comprise (a) $455,100 for services provided by the Consulting Actuary, including the preparation of the actuarial valuation of the Fund as of 31 December 1995 and of related documents, and attendance at sessions of the Board, the Standing Committee and the Committee of Actuaries; (b) $156,800 for the development and integration of new or enhanced computer systems, which includes a non-recurrent cost of $94,800 to provide programming services for the development, testing and implementation of the payroll, accounts, cashier, year-end, executive office and benefit estimate systems; (c) $196,200 for other consulting services to meet the need, which arises from time to time, for expertise not available in-house, including in particular a non-recurrent amount of $150,000 to cover the anticipated cost of a number of communications-related publications and videos (for example, the annual letter containing information to participants and beneficiaries; updating publications containing the Fund's Regulations, Rules, procedures, the pension adjustment system and the explanatory presentation of the United Nations pension system; a training documentary in video format for field offices on pension provisions and on the documents/forms to be submitted by member organizations and participants); (d) external audit costs chargeable to the Fund ($32,600); and (e) part of the initial costs ($204,800) for the internal audit function to be charged against administrative costs (see paras. 40-54 above and para. 76 below).

General operating expenses

63. The resources requested under this heading ($1,391,900) relate to the shared costs of the United Nations mainframe computer and the relational database management system (RDBMS), and to the Fund's mid-range computer, imaging storage facility, local area network, and personal computer work stations and related peripherals, both in New York and Geneva. The amount requested comprises (a) $1,142,700 for rental and maintenance, reflecting a resource growth of $224,000 for temporary data storage leased from the United Nations, as required to develop and support the Fund's new computer programs; (b) $187,000, reflecting a resource growth of $140,000, for miscellaneous supplies and services, such as diskettes, data-processing forms, photocopy supplies and paper, for external reproduction of pension information booklets and other materials for member organizations, participants and beneficiaries, and the costs of certified postage of certificates of entitlement forms and cost-of-living notifications to beneficiaries; (c) $12,200 for hospitality, which involves no growth; (d) $40,000 payable to the United Nations for computer services; and (e) $10,000 for communications services.

64. With respect to the Fund's computer arrangements, the Secretary has initiated an internal study of the implications for the Fund should the United Nations outsource its mainframe computer processing, which is currently under consideration. This, in turn, raises the question of whether the longer-term strategic direction for the Fund should place the emphasis on self-reliance. In this connection the study will also consider (a) new technological advances in computer hardware and software; (b) data communication alternatives that would permit faster and more reliable exchanges of information with the Fund's Geneva office and the member organizations; (c) the availability of software packages to reduce software development time and risk while providing a "user friendly" environment; (d) opportunities to minimize future costs; and (e) the need to strengthen further the arrangements for ensuring the security and confidentiality of pension records, possibly through the Fund's strategy to achieve full reliance on its own hardware, software and on-site facilities.

65. With these objectives in mind, the Secretary may have to request additional funding in 1996 for the expansion of the Fund's existing computing environment, especially if the continued use of the United Nations mainframe in New York either becomes not possible or not practicable, because of decisions as to the United Nations future computer arrangements.

Supplies and materials

66. The resource requirements under this heading ($105,700) relate to the purchase of supplies for office automation equipment, photocopying machines, optical disks, and data-processing forms, including the annual statements and certificates of entitlement forms.

Equipment

67. The resource requirements ($295,400) cover the acquisition and replacement of personal computers and related peripherals.

2. Investment costs

68. The Representative of the Secretary-General of the United Nations for the investments of the Fund requested the Secretary to include requirements estimated at $26,861,700 for the Investment Management Service for the biennium 1996-1997. These requirements reflect a net resource growth of $283,800, at 1995 rates. A breakdown of the investment costs by the consolidated objects of expenditure used under the United Nations budget format is set out below in table 5. Annex III provides a breakdown of costs under both the previous and the consolidated groups of objects of expenditure.

Table 5. Summary by object of expenditure

(Thousands of United States dollars)

Investment costs

Object of expenditure	1992-1993 expenditures	1994-1995 appropriations	Resource growth		Total before recosting	Recosting	1996-1997 estimates
			Amount	Percentage			
Posts	2 544.1	3 376.1	870.2	24.4	4 246.3	193.3	4 439.6
Other staff costs	175.2	148.8	(30.1)	(20.4)	118.7	(1.0)	117.7
Travel	367.6	681.9	(108.4)	(15.8)	573.5	5.0	578.5
Contractual services	22 683.9	20 307.6	(472.7)	(2.3)	19 834.9	(64.8)	19 770.1
General operating expenses	407.3	1 109.3	(1.5)	(0.1)	1 107.8	12.4	1 120.2
Supplies and materials	250.9	494.5	77.7	15.5	572.2	7.4	579.6
Equipment	283.2	564.5	(51.4)	(16.7)	513.1	(257.1)	256.0
Total	26 712.2	26 682.7	283.8	1.1	26 966.5	(104.8)	26 861.7

Programme of work

69. As reported to the Board in 1994, the establishment of a global network of custodians and sub-custodians began in late 1993 and continued during the 1994-1995 biennium. This change in the custodial arrangements has resulted in a significant reduction in the combined advisory and custodial fees, both because of the new custody structure and as a result of the more favourable rates among the providers of custodial services due to greater competitiveness. The added responsibilities resulting from this transition, the expected increase in the value of the Fund, its extensive diversification of investments and the complexity of the new arrangements have created a need for more staff. As described in paragraphs 39 to 53 above, the new internal audit function, to be carried out under the auspices of the Office of Internal Oversight Services, will also cover the investment operations (see para. 76 below).

Post requirements

70. The post requirements for the Investment Management Service are set out in table 6 below:

Table 6. Post requirements, Investment Management Service

	Established posts		Temporary posts		Total	
	1994-1995	1996-1997	1994-1995	1996-1997	1994-1995	1996-1997
Professional category and above						
D-2	-	1	-	-	-	1
D-1	1	1	-	-	1	1
P-5	3	4	-	-	3	4
P-4/3	5	6	-	-	5	6
P-2/1	-	-	-	-	-	-
Total	9	12	-	-	9	12
General Service category						
Principal level	2	2	-	-	2	2
Other levels	13	16	-	-	13	16
Total	15	18	-	-	15	18
Grand total	24	30	-	-	24	30

71. The Representative of the Secretary-General for the investment of the Fund and the Chief of the Investment Management Service have evaluated the staffing requirements necessary to manage the investments more efficiently, given the continuous increase in the value of the Fund, the complexity of the investment process and the establishment of the new custodial arrangements. They concluded that additional staffing was essential to provide the level of management services required for the investment of assets as large as those of UNJSPF, to sustain the global network of direct custodial relationships which have been established, and to enhance the investment decision-making process.

72. IMS currently has 24 established posts: one D-1, three P-5, two P-4, three P-3 and 15 General Service posts. Additional staffing needs in 1995 for the implementation of the new custody arrangement were met through redeployment of some of the savings in custodial fees to temporary assistance. In order to provide the level of staffing needed for the vital investment operation and to be able to recruit and retain highly qualified staff, it is proposed to reclassify some of the posts to levels more commensurate with the responsibilities attached to them, and to create additional posts. The global diversification of the investments of the Fund is unique and offers good

exposure to aspiring young portfolio managers. However, the remuneration and levels of posts are not competitive, hence it is not easy to retain the services of good portfolio managers. The upgrading of the level of posts will at least reduce the turnover slightly and at the same time attract better qualified new staff.

73. It is therefore proposed to reclassify the post of the Chief of IMS from D-1 to the D-2 level, and to establish six new posts: a D-1 post for a Deputy Chief to provide better management of the Service; one P-5 post and one P-4 post to handle equity investments; and three General Service (Other level) posts, one in the Investments Section and two in the Operations Section. It is also proposed to reclassify the P-3 post of the Information Systems Analyst to the P-4 level.

Other staff costs

74. Resources requested under this heading ($117,700), reflecting a negative growth of $30,100, comprise provision of (a) $40,900 for general temporary assistance required for peak workload periods and for replacements of staff on maternity and extended sick leave; (b) $35,900 for overtime to reduce work backlogs; and (c) $40,900 for training related mainly to changes in the computer systems.

Travel

75. The estimated requirements of $578,500, which reflect a negative growth of $108,400, relate to the travel and related costs for staff travel ($230,400) to site visits with companies and investment institutions, as well as participation in investment-related conferences and seminars; custody-related travel, and travel to Pension Board meetings; and travel and subsistence costs related to meetings of the Investments Committee ($348,100). The actual level of the latter expense depends on the attendance of members; the estimates are based on actual costs and assumes that all members will attend all meetings.

Contractual services

76. The resources requested under this heading ($19,770,100) comprise the costs of (a) advisory and custodial fees ($19,410,000), (b) investment consultants ($155,300), covering the ongoing need for legal services and assistance in the bidding negotiations for advisory services in 1996; and (c) the investment operation share in the initial costs of setting up the internal audit function ($204,800) (see paras. 40 to 54 above).

77. Until 1994, the Fund's advisory and custodial services had been contracted to one financial institution under two separate contracts, with the fees based on the market value of the Fund, but billed separately, at a combined rate of approximately 8.05 basis points (0.0805 per cent). The Fund had previously utilized a traditional custodial arrangement, involving a global custodian which serviced the Fund via a network of sub-custodians. Within this structure, fees were paid both to the global custodian and to the sub-custodians. Under the new custodial arrangement, the need for a global custodian has been eliminated, resulting in a reduction of custody fees due to a decline in competitive fees

and to the payment of fees only to the regional custodians and to the Master Record Keeper. The advisory services are still provided by one institution and the fees are still based on market value.

General operating expenses

78. The resources requested under this heading ($1,120,200), reflecting an overall decrease of $13,800, relate to communication services ($204,800), hospitality ($5,100), miscellaneous supplies and services ($51,200) and bank charges ($859,100). The cost of communication services relates to the new direct relationships with the regional custodians, requiring the creation and implementation of direct electronic interfaces with each custodian. Those interfaces must be specifically designed to match the technological parameters required by the various custodians and the IMS in-house accounting and portfolio management systems. Interface programs will now need to be rewritten to enable IMS to retrieve electronically transaction information from the Depository Trust Company (DTC) and other non-United States central depositories. An interface will also be required to enable the direct independent pricing of the Fund's portfolio. Miscellaneous supplies and services cover expenditures for office supplies and miscellaneous services.

79. The inclusion of bank charges in the budget estimates was recommended by the Board of Auditors in 1987. These costs are more than offset by the interest earned on monies that were formerly held as compensating balances for payment services provided by banks. The auditors had further recommended that cash balances should be kept as low as possible to enhance investment opportunities and that the Fund accept so-called "hard" charges for bank services.

Investment reference services

80. The estimated resource requirements ($579,600) cover electronic access to additional investment data necessary to make informed investment decisions. The technology for investment information is constantly being upgraded in the industry. In order for staff of the Investment Management Service to be able to obtain timely information, there is an urgent need to upgrade both the hardware and software on an ongoing basis. A Portfolio Management System was installed during the biennium 1994-1995, that has facilitated the integration of external investment databases and the specific details of the investments of the Fund. The system will be integrated with other investment data services to give the staff the capability to retrieve electronically the most current material from a larger number of investment reference services. As from 1996-1997, most of the services, which had been made available in the past through the use of commissions, will be paid as direct charges. The resource growth of $77,700 is due to the change in services being offered and the increase in the number of users.

Equipment

81. The resources requested ($256,000), reflecting a decrease of $51,400 based on a reassessment of requirements, will provide for (a) software purchase and design, such as the completion of the design and implementation of the Investment Control and Accounting System (INCAS), the Portfolio Management

System licence maintenance, other custom programming needs, general systems and equipment maintenance, and for miscellaneous computer and computer-related equipment and furniture; and (b) the cost of incidental office furniture not provided by the United Nations. The renovation of the offices of the Investment Management Service, for which resources were provided in the 1994-1995 biennium, was completed in 1995.

Annex I

LIST OF PARTICIPANTS

Representing	Members	Alternates
United Nations		
General Assembly	Mr. T. Inomata (Japan)*	Mr. V. Kuznetsov (Russian Federation)
General Assembly	Mr. C. Stitt (United Kingdom)	Mr. P. Owade (Kenya)
Secretary-General	Mr. Y. Takasu (Japan)	Mr. A. Miller (Australia)
Participants	Ms. V. Baeza (Chile)	Ms. S. Johnston (United States)
Participants	Mr. N. Kakar (India)	Mr. A. Kruiderink (Netherlands)
Food and Agriculture Organization of the United Nations		
Participants	Mr. A. Marcucci (Italy)	
World Health Organization		
Executive head		Mr. D. Sanvincenti (Italy)
Governing body	Dr. J. Lariviere (Canada)	
International Labour Organization		
Executive head	Mr. A. Busca (Italy)	
United Nations Educational, Scientific and Cultural Organization		
Participants	Mr. A. McLurg (United Kingdom)	
United Nations Industrial Development Organization		
Participants		Mr. S. Zampetti (Italy)
International Civil Aviation Organization		
Governing body	Mr. L. Mollel (United Republic of Tanzania)	

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* Chairman.

Representing	Members	Alternates
International Atomic Energy Agency		
Participants	Mr. W. Scherzer (Austria)	
International Telecommunication Union		
Governing body		Mr. R. Maja (Cameroon)
Interim Commission for the International Trade Organization/General Agreement on Tariffs and Trade		
Governing body	Mr. J.-D. Rey (India)	
World Intellectual Property Organization		
Executive head	Mr. J.-L. Perrin (France)	
International Fund for Agricultural Development		
Governing body	Min. I. Di Giovan Battista (Italy)	

Representatives	Organization	Representing
Ms. V. Paterson	WHO	Participants
Mr. J. E. McAteer	FAO	Governing body
Mr. J. Rai	UNESCO	Governing body
Mrs. C. Kerlouegan	UNESCO	Executive head
Mr. Y. Chotard	ILO	Governing body
Mr. J. V. Gruat	ILO	Participants
Mrs. U. Peer	UNIDO	Executive head
Mr. D. J. Goossen	ICAO	Executive head
Mr. R. G. Menzel	ICAO	Participants
Mrs. H. Eckert	ITU	Participants
Mr. P. H. Rolian	ICITO/GATT	Executive head
Mr. N. Johnstone	ICITO/GATT	Participants
Mr. D. Bertaud	IMO	Participants
Mr. R.-G. Lewis	IMO	Governing body
Mr. A. Ali	FAFICS	Pensioners
Mr. G. Saddler	FAFICS	Pensioners
Mr. O. Larghi	FAFICS	Pensioners

Observers	Organization
Mr. W. Dixon	Federation of International Civil Servants' Associations
Mr. E. Freeman	Industrial Development Board
Mr. R. Costales	Coordinating Committee for International Staff Unions and Associations of the United Nations System
Mr. M. Oummih	World Tourism Organization
Mr. E. Ramos	European Bank for Reconstruction and Development
Mr. R. Burston	

Secretary	Staff Pension Committees
Mrs. R. Wiedmer	WHO
Mr. F. Fusco	FAO
Mrs. C. Kerlouegan	UNESCO
Ms. C. McGarry	ILO
Mrs. U. Peer	UNIDO
Mr. P. Uhl	IAEA
Mr. M. Rolland	ITU
Mr. R. Luther	ICITO/GATT
Mr. J.-L. Perrin	WIPO
Mrs. T. Dayer	WIPO
Mrs. J. Sisto	IFAD

International Civil Service Commission

Mr. M. Bel Hadj Amor, Chairman
Mr. C. Vegega, Vice-Chairman
Mr. P. Ranadive, Executive Secretary
Mr. W. Sach, Secretariat

Committee of Actuaries

Mr. L. J. Martin, Rapporteur

Consulting Actuary

Mr. R. Sharp

Investment Management Service

Mr. H. Ouma, Chief
Mr. M. L. Cheng, Secretary, Investments Committee

Medical Consultant

Dr. I. Laux

Under-Secretary-General for Administration and Management and Representative of the Secretary-General for the investments of UNJSPF

Mr. J. E. Connor

UNJSPF staff

Mr. R. Gieri, Secretary
Mr. J. P. Dietz, Deputy Secretary
Mr. J. Flanagan, Chief of Operations
Mr. K. Widdows, Senior Legal Officer
Ms. D. Sun, Chief, Financial Services Section
Mr. P. Dooley, Chief, Information Management System Section
Ms. J. Charles, Executive Officer

Annex II

A. Administrative costs

SUMMARY OF REVISED ESTIMATES FOR THE BIENNIUM 1994-1995 BY OBJECT OF EXPENDITURE

(Thousands of United States dollars)

Object of expenditure	Revised appropriations (1)	Decisions of policy-making organs (2)	Other changes (3)	Adjustments to standard costs (4)	Rates of exchange (5)	Inflation (6)	Total requirements (2+3+4+5+6) (7)	Revised estimates (1+7) (8)
Established posts	6 905.4	0.0	0.0	0.0	0.0	0.0	0.0	6 905.4
Common staff costs	2 671.8	300.0	0.0	0.0	0.0	0.0	300.0	2 971.8
Temporary assistance	380.0	0.0	0.0	0.0	0.0	0.0	0.0	380.0
Common staff costs	139.2	0.0	0.0	0.0	0.0	0.0	0.0	139.2
Overtime	185.7	0.0	0.0	0.0	0.0	0.0	0.0	185.7
Travel of staff	129.3	0.0	0.0	0.0	0.0	0.0	0.0	129.3
Actuarial consulting services	450.0	0.0	0.0	0.0	0.0	0.0	0.0	450.0
Consultants	42.1	0.0	0.0	0.0	0.0	0.0	0.0	42.1
Committee of Actuaries	66.3	0.0	0.0	0.0	0.0	0.0	0.0	66.3
Data-processing costs								
Services rendered by United Nations	40.0	0.0	0.0	0.0	0.0	0.0	0.0	40.0
Rental and maintenance of equipment	903.4	0.0	0.0	0.0	0.0	0.0	0.0	903.4
Acquisition of equipment	291.6	0.0	0.0	0.0	0.0	0.0	0.0	291.6
Contractual services	519.0	0.0	0.0	0.0	0.0	0.0	0.0	519.0
Supplies and materials	155.6	0.0	0.0	0.0	0.0	0.0	0.0	155.6
External audit	30.4	0.0	0.0	0.0	0.0	0.0	0.0	30.4
Communications services	10.0	0.0	0.0	0.0	0.0	0.0	0.0	10.0
Hospitality	12.1	0.0	0.0	0.0	0.0	0.0	0.0	12.1
Miscellaneous supplies and services	43.1	0.0	0.0	0.0	0.0	0.0	0.0	43.1
Training	24.4	0.0	0.0	0.0	0.0	0.0	0.0	24.4
Office furniture and fixtures	0.0	10.0	0.0	0.0	0.0	0.0	10.0	10.0
Total administrative costs	12 999.4	310.0	0.0	0.0	0.0	0.0	310.0	13 309.4

B. Investment costs

(Thousand of United States dollars)

Object of expenditure	Revised appropriations (1)	Decisions of policy-making organs (2)	Other changes (3)	Adjustments to standard costs (4)	Rates of exchange (5)	Inflation (6)	Total requirements (2+3+4+5+6) (7)	Revised estimates (1+7) (8)
Established posts	2 418.3	0.0	0.0	0.0	0.0	0.0	0.0	2 418.3
Common staff costs	957.8	0.0	0.0	0.0	0.0	0.0	0.0	957.8
Temporary assistance	30.4	0.0	0.0	0.0	0.0	0.0	0.0	30.4
Common staff costs	12.0	0.0	0.0	0.0	0.0	0.0	0.0	12.0
Overtime	51.9	(11.9)	0.0	0.0	0.0	0.0	(11.9)	40.0
Travel of staff	205.1	(5.1)	0.0	0.0	0.0	0.0	(5.1)	200.0
Advisory and custodial fees	20 000.0	904.0	0.0	0.0	0.0	0.0	904.0	20 904.0
Investment consultants	307.6	0.0	0.0	0.0	0.0	0.0	0.0	307.6
Investments Committee	476.8	(136.8)	0.0	0.0	0.0	0.0	(136.8)	340.0
Investment reference services	494.5	(69.5)	0.0	0.0	0.0	0.0	(69.5)	425.0
Communications services	195.6	(5.6)	0.0	0.0	0.0	0.0	(5.6)	190.0
Data processing	305.2	(50.2)	0.0	0.0	0.0	0.0	(50.2)	255.0
Hospitality	12.1	(9.6)	0.0	0.0	0.0	0.0	(9.6)	2.5
Miscellaneous supplies and services	52.0	(2.0)	0.0	0.0	0.0	0.0	(2.0)	50.0
Training	54.5	(13.5)	0.0	0.0	0.0	0.0	(13.5)	41.0
Bank charges	849.6	0.0	0.0	0.0	0.0	0.0	0.0	849.6
Office furniture and fixtures	259.3	(74.3)	0.0	0.0	0.0	0.0	(74.3)	185.0
Total investment costs	26 682.7	525.5	0.0	0.0	0.0	0.0	525.5	27 208.2
Total administrative costs	12 999.4	310.0	0.0	0.0	0.0	0.0	310.0	13 309.4
GRAND TOTAL	39 682.1	835.5	0.0	0.0	0.0	0.0	835.5	40 517.6

Annex III

A. Administrative costs

BUDGET ESTIMATES FOR THE BIENNIUM 1996-1997

(Thousands of United States dollars)

	Approved appropriations	Revaluation of 1994-1995 base	Resource growth	Inflation in 1996-1997	Total increase	Total estimates 1996-1997
Established posts	6 905.4	(149.0)	253.7	151.3	256.0	7 161.4
Common staff costs	2 671.8	(48.8)	94.0	59.3	104.5	2 776.3
Posts	9 577.2	(197.8)	347.7	210.6	360.5	9 937.7
Temporary assistance	380.0	(236.6)	252.9	9.5	25.8	405.8
Common staff costs	139.2	(82.2)	94.5	3.6	15.9	155.1
Overtime	185.7	(10.3)	0.0	4.6	(5.7)	180.0
Training	24.4	(0.3)	0.0	0.6	0.3	24.7
Other staff costs	729.3	(329.4)	347.4	18.3	36.3	765.6
Travel of staff	129.3	(1.3)	0.0	3.1	1.8	131.1
Committee of Actuaries	66.3	(0.8)	0.0	1.6	0.8	67.1
Travel	195.6	(2.1)	0.0	4.7	2.6	198.2
Actuarial consulting services	450.0	(5.6)	0.0	10.7	5.1	455.1
Consultants	42.1	(0.5)	150.0	4.6	154.1	196.2
EDP contractual services	519.0	(471.7)	94.9	14.6	(362.2)	156.8
External audit	30.4	(0.4)	1.9	0.7	2.2	32.6
Internal audit	0.0	0.0	200.0	4.8	204.8	204.8
Contractual services	1 041.5	(478.2)	446.8	35.4	(4.0)	1 045.5
Services rendered by United Nations	40.0	0.0	0.0	0.0	0.0	40.0
Communications services	10.0	0.0	0.0	0.0	0.0	10.0
Hospitality	12.1	(0.2)	0.0	0.3	0.1	12.2
Miscellaneous supplies and services	43.1	(0.5)	140.0	4.4	143.9	187.0
Rental and maintenance of equipment	903.4	(11.4)	224.0	26.7	239.3	1 142.7
General operating expenses	1 008.6	(12.1)	364.0	31.4	383.3	1 391.9
Supplies and materials	155.6	(53.6)	0.0	3.7	(49.9)	105.7
Equipment	291.6	(3.1)	0.0	6.9	3.8	295.4
Total administrative costs	12 999.4	(1 076.3)	1 505.9	311.0	740.6	13 740.0

B. Investment costs

(Thousands of United States dollars)

	Approved appropriations	Revaluation of 1994-1995 base	Resource growth	Inflation in 1996-1997	Total increase	Total estimates 1996-1997
Established posts	2 418.3	62.8	621.7	73.8	758.3	3 176.6
Common staff costs	957.8	27.5	248.5	29.2	305.2	1 263.0
Posts	3 376.1	90.3	870.2	103.0	1 063.5	4 439.6
Temporary assistance	30.4	(1.8)	0.0	0.7	(1.1)	29.3
Common staff costs	12.0	(0.7)	0.0	0.3	(0.4)	11.6
Overtime	51.9	(0.7)	(16.2)	0.9	(16.0)	35.9
Training	54.5	(0.7)	(13.9)	1.0	(13.6)	40.9
Other staff costs	148.8	(3.9)	(30.1)	2.9	(31.1)	117.7
Travel of staff	205.1	(2.6)	22.5	5.4	25.3	230.4
Investment Committee	476.8	(6.0)	(130.9)	8.2	(128.7)	348.1
Travel	681.9	(8.6)	(108.4)	13.6	(103.4)	578.5
Advisory and custodial fees	20 000.0	0.0	(590.0)	0.0	(590.0)	19 410.0
Investment consultants	307.6	(74.9)	(82.7)	5.4	(152.2)	155.4
Internal audit	0.0	0.0	200.0	4.8	204.8	204.8
Contractual services	20 307.6	(74.9)	(472.7)	10.1	(537.5)	19 770.1
Communications services	195.6	(2.4)	6.8	4.8	9.2	204.8
Hospitality	12.1	(0.2)	(6.9)	0.1	(7.0)	5.1
Miscellaneous supplies and services	52.0	(0.6)	(1.4)	1.2	(0.8)	51.2
Bank charges	849.6	(10.6)	0.0	20.1	9.5	859.1
General operating expenses	1 109.3	(13.8)	(1.5)	26.2	10.9	1 120.2
Investment Reference Services	494.5	(6.2)	77.7	13.6	85.1	579.6
Data processing	305.2	(3.8)	(56.4)	5.9	(54.3)	250.9
Office furniture and fixtures	259.3	(259.3)	5.0	0.1	(254.2)	5.1
Equipment	564.5	(263.1)	(51.4)	6.0	(308.5)	256.0
Total investment costs	26 682.7	(280.2)	283.8	175.4	179.0	26 861.7

Annex IV

TARGET DATES FOR DEVELOPMENT OF NEW COMPUTER SYSTEMS

	Target completion date	Status
1. PENSYS development		
Requirements document	March 1991	Completed
Logical design document	September 1991	Completed
PENSYS development (priority applications):		
- Operations control system		
- Central information file	October 1992	Completed
- Case tracking system	October 1992	Completed
- Additional enhancements	December 1992	Completed
- Participant system		
- Active staff administration	October 1992	Completed
- Validation	March 1995	Completed
- Restoration system	September 1995	In progress
- Benefits system/First payment system		
- Withdrawal settlements	October 1992	Completed
- Retirements	December 1993	Completed
- Revision	January 1995	Completed
- Recalculation	December 1995	In progress
- Payroll system	December 1995	In progress
- Accounts system	June 1996	Open
- Cashier system	June 1996	Open
- Year-end system	January 1997	Open
- Executive office systems	June 1996	Open
- Estimate system	December 1996	Open
2. Optical Based Imaging System		
Request for proposal (RFP) distributed to vendors	March 1991	Completed
Vendor conference	April 1991	Completed
Vendor proposals submitted	May 1991	Completed
Proposal evaluation	June 1991	Completed
Benchmark testing and vendor demonstrations	June 1991	Completed
Vendor selection	September 1991	Completed
Document conversion started	January 1992	Completed
Active file conversion completed	April 1992	Completed
Document conversion completed	October 1992	Completed

	Target completion date	Status
Installation of full system	November 1992	Completed
Training completed	November 1992	Completed
System in production	November 1992	Completed

3. Data Base Management System

DB2 and related products requested from ESD	April 1991	Completed
ESD capacity analysis	June 1991	Completed
Training completed	July 1991	Completed
Software development begins for PENSYS	September 1991	Completed
Installation of DB2 and related products at United Nations	September 1991	Completed

Annex V

OPERATIONAL STATISTICS

Work type	Number of completed work cases		
	1993	1994	1/1/1995-15/6/1995
New benefits:			
Withdrawals	4 152	4 396	2 151
Retirements	1 670	1 943	768
Others	238	340	113
	6 060	6 679	3 032
Revisions of benefits	635	1 049	570
Recalculations			
Change of country of residence; survivors and child benefits; re-marriage, etc.	1 503	2 190	1 017
Benefit payments:			
COL Adj. non-routine			
Change payment instructions	234	421	139
Suspensions/re-instatements	3 741	3 526	1 959
Death-related	707	1 273	590
Tax statements	552	986	2 279
ASHI related	62	193	480
Vouchers	982	1 048	400
Other	805	1 777	821
	7 083	9 224	6 668
Banking related:			
Non-receipt claims	536	1 045	499
Recoveries	186	235	164
Other bank related	454	551	262
	1 176	1 831	925
Accounting related	1 250	2 599	1 811
Participation related	n/a	16 443	9 269

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Work type	Number of completed work cases		
	1993	1994	1/1/1995-15/6/1995
Validations/restorations	n/a	1 236	886
Certificates of entitlement	n/a	4 425	4 768
		22 104	14 923
Miscellaneous:			
Estimates local currency	73	258	180
Estimates US$	758	1 272	1 084
Appeals, policy, etc.	412	593	368
Personnel related			
Transactions/correspondence	n/a	n/a	434
	1 243	2 123	1 632
Work cases closed (all types)	28 486	49 123	29 816
Current cases in-process			7 024
Documents* scanned into OBIS	134 563**	172 352	98 346
Documents displayed by OBIS	869 483**	1 315 900	602 296

* Avg. 1.5 pages per document.

** April-December 1993.